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Chief, Economic Research Area, OHR

3 September 1959

Acting Chief, Industrial Division, OHR

Monthly Report, August 1959

I. Relations with and Support to Other Components:

A. CIA

1. Chief, D/I was detailed to support OHR in its production of certain key estimates now in preparation.

2. I/CM support to OHR on RIE 11-8-59, Soviet Capabilities for Strategic Attack through Mid-1964, continued throughout August. The OHR, in accordance with recommendations of the Hyland Panel, has now revised its estimates of probable Soviet ICBM warhead weights and ICBM accuracy. This will require a new set of calculations and findings by OHR as to probable Soviet requirements for ICBMs.

3. Chief, I/CM briefed the DCI's ad hoc Special Consultant's Panel ("Hyland Panel") on current evidence of Soviet ICBM production and deployment. The briefing was prepared by I/CM and coordinated with AFIC. This Panel was convened to provide an independent assessment of the status of the Soviet ICBM program in conjunction with national estimates now being drafted. A major conclusion of the Panel was that the continued absence of direct evidence of ICBM production and deployment was alarming, and intensification of collection efforts on these aspects of the program should be vigorously pursued with all available collection means.

4. At the request of the Special Assistant to the DD/I (Planning), I/CM prepared a special study related to an important aspect of Soviet ICBM deployment. The study, which required a sizeable allocation of branch effort was commenced in by other D/I offices and became the basis for an agreed position in the community on this aspect of the ICBM problem.

5. A special collection guide on Soviet surface-to-air missile systems was prepared at the request of DD/P and CC/C. The guide is intended to project known information on a surface-to-air facility in West Germany into the context of SAM deployment in the USSR. This is one of three guided missile collection guides which are now in St/IE for publication.

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6. ~~Progress summary~~ continued without serious problems. The number of new sources is decreasing with the approach of fall, but the number of reports received is increasing. A highlight was the sighting of a possible KGB training area in the vicinity of Istanbul. This is being checked and further efforts are being made to verify the sighting, including a special debriefing of the source. An evaluation of the ~~source~~ is scheduled by CG/C for late September. It is expected that complete statistics and evaluation will be available shortly thereafter.

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25X1A9a 7. Briefings of outgoing MD/P personnel included ~~source~~ designated Deputy for Combined Services, ~~source~~ 25X1A6a 25X1A9a ~~source~~ SA Operations Officers to ~~source~~ 25X1A6a and ~~source~~ respectively.

B. UNICE Committees

Committee on Exchanges:

8. Further discussions have been held between I/EE and the Secretary of the Committee on Exchanges concerning plans for an exchange of microwave communications experts. No definite dates or itineraries have been decided upon.

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9. ~~source~~ I/EE, provided support to the Exchange Committee in preparation for an exchange with the USSR on machine tools.

OSMAIC:

10. Support to OSMAIC in connection with NIE 11-5-59, Soviet Capabilities in Guided Missiles and Space Vehicles, included submission of a contribution, coordinated with AIR FORCE, on the evidence of production of the various Soviet missile systems considered in the estimate. The initial contribution was also supplemented by additional material at the request of Chairman, OSMAIC.

C. Other:

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11. ~~source~~ I/EE provided information on the Dnepropetrovsk Motor Vehicle Plant to AGSI, and on the production of tractors in the USSR and Communist China to ~~source~~

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13. Meetings were held with NSA to discuss and coordinate that Agency's reply to a long outstanding requirement initiated by I/CM. Despite NSA's view that it has placed a maximum effort on the requirement, it appears that an additional 3-6 months will be required before a formal reply will be ready.

14. Discussions were held between members of I/CM and H. TR [redacted] and [redacted]

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an intelligence project contracted by ATTC. The discussions concerned Soviet rail transport capabilities, rail mobility for ICBM systems, and the logistic and operational problems related thereto.

II. Changes in Estimates:

15. See 2. above.

III. Future Plans:

16. Nothing to report.

IV. Problems:

17. Nothing to report.

V. Other:

18. An NIS Certificate of Commendation was awarded to Deputy Chief, D/I for his creative leadership in the production of sections in the economic chapters of the NIS's on the countries of the Sino-Soviet Bloc.

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19. [redacted] I/MS was commended for excellence in production of Section 64 (Manufacturing and Construction) of NIS 13A, East Germany. This is the first NIS Section 64 contribution prepared by the ERA which has received a Category I qualitative rating.

20. Chief, I/MS has been selected as the ORR candidate for the Agency's slot at the Industrial College of the Armed Forces for the course beginning in the summer of 1960.

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21. [redacted] I/E attended a special weapons course sponsored by the Department of Defense at Fort Monr, Virginia.

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22. Work on the data sample for MINICARD processing continued. The data have been photographed on individual cards and a series of sample runs have been programmed. Reported breakdowns of the processing equipment, however, has delayed the processing. It is hoped that the first sample runs will be available in the first week of September.

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Distribution:

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1 - Each D/I Branch
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